



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: August 16, 2011

TO: Mayor and Councilmembers

FROM: Business Division, Waterfront Department

SUBJECT: Introduction Of Ordinance For A Lease With Santa Barbara Sailing Center

RECOMMENDATION:

That Council introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving a Five-Year Lease with Two Five-Year Options with Skip Abed, Doing Business as Santa Barbara Sailing Center, for the Boat Rental and Sailing Instruction Facility at 303 West Cabrillo Boulevard Adjacent to the Harbor Launch Ramp, Effective September 21, 2011.

DISCUSSION:

The Abed family assumed the Santa Barbara Sailing Center (Sailing Center) lease through a lease assignment process on May 4, 2000. The lease expired on December 31, 2009, and the business has operated on a holdover status since that time.

The current base rent is \$59,598 annually, subject to annual Cost of Living increases. The rent is allocated seasonally to allow for a lower base rent in the winter months and a compensating higher base rent in the summer months, similar to other Waterfront lessees such as Sea Landing and most restaurants. For example, SBSC pays a base rent of \$2,838 for the months November through February, \$4,966 March through May, and \$7,095 June through September.

The basic lease terms of the proposed lease are summarized as follows:

- **Term:** Five years, with two five-year options to extend
- **Base Rent:** \$59,598 per year (no change)
- **Percentage Rent:**
 - **15%** - Gross receipts from the vessel *Double Dolphin*
 - **10%** - Gross receipts from watercraft rentals and sailing club memberships

- **5%** - Gross receipts from the vessel *Channel Cat*, skippered charters of no more than six passengers, and sailing lessons
- **1%**- Gross receipts from the sale of boats and boat parts used in the course of business
- **Permitted Uses:**
 - Operation of a sailing school accredited by the American Sailing Association (ASA)
 - Operation of a boat rental facility including rental of sailboats, powerboats, and personal watercraft
 - Operation of coastal cruise vessels *Double Dolphin* and *Channel Cat*

Skip Abed has done an admirable job of managing and upgrading the Sailing Center for the last 11 years. There have been no changes to the business terms of the lease. The Harbor Commission recommended approval of the Sailing Center lease at the July 21, 2011, meeting.

ATTACHMENT: Site Plan

PREPARED BY: Scott Riedman, Interim Waterfront Director

APPROVED BY: City Administrator's Office



REVISIONS	S. B. Sailing Center Lease Area – Exhibit 'A'				
	DATE ENTERED SYSTEM	1=1	APPROVED BY	ISSUED BY	T. Remeika
	DATE	7/12/01	APPROVED	Santa Barbara Harbor	ISSUED NO. 1380-006
					SHEET NO.
			City of Santa Barbara		1 of 2
			Waterfront Department		

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E 6051082.8439

N 1975135.0866
E 6051222.8794

$\Delta = 02-35-00$

$R = 2,218.00'$

$L = 282.72'$

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S. B. SAILING CENTER
LEASE AREA
18,993 S.F.

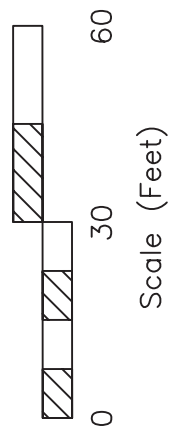
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N 1975014.4789
E 6051245.2487

MARINA 4 GANGWAY

2

Project North



REVISIONS		S. B. Sailing Center Lease Area Exhibit 'A'			
		DATE	1=1	APPROVED BY	DRAWN BY
		7/12/01		303 W. Cabrillo Blvd.	T. Remelka
					DRAWING NO. 1380-005
					SHEET NO.
				City of Santa Barbara Waterfront Department	2 of 2